LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **JANUARY 6**, 2009, upon the application of **KCS RESOURCES**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Haynesville Zone**, **Reservoir A**, in the Longwood Field, Caddo Parish, Louisiana.

- 1. To establish two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, to be designated HA RA SUU and HA RA SUV.
- 2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate unit wells and unit operators, as appropriate.
- 4. To redefine the Haynesville Zone, Reservoir A, INSOFAR AS HA RA SUU and HA RA SUV are concerned, as being the stratigraphic equivalent of that gas and condensate bearing zone encountered between the depths of 9,220' and 10,880' (electric log measurements) in the Nadel & Gussman-Jetta Operating- Franks 22 No. 1 Well located in Section 22, Township 19 North, Range 14 West.
- 5. To provide that with respect to horizontal wells drilled to the Haynesville Zone, Reservoir A, in the proposed units, where the horizontal lateral portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus.
- 6. To extend the field rules established by Office of Conservation Order No. 123-K, effective June 17, 2008, to the proposed additional units for the Haynesville Zone, Reservoir A, except to the extent inconsistent herewith
- 7. To consider such other matters as may be pertinent.

The Haynesville Zone, Reservoir A was initially defined in Order No. 123-K, effective June 17, 2008.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana. www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 11/20/08;11/25/08 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.